

Foreign Travel Spending Up Sharply in 1962 After Pause in 1961

U.S. RESIDENTS spent nearly \$2.9 billion for foreign travel in 1962, nearly 10 percent more than in 1961. This includes approximately \$430 million paid to U.S. air and sea carriers for transoceanic transportation. The remainder of \$2.5 billion—about 9 percent more than in 1961—was spent in foreign countries or paid to their transoceanic carriers. Balanced against these expenditures were our receipts from foreign visitors, about \$1,038 million, including \$117 million paid to U.S. carriers for transportation to and from this country. For 1962, the excess of travel payments over U.S. travel receipts reached \$1.4 billion, compared to about \$1.25 billion in 1961. Data for the first few months of 1963 suggest further increase in the excess of travel payments, despite indications of a continuing rise in foreign travel spending here.

Relationship to disposable personal income

A noteworthy factor in the growing gap between what Americans spend for travel and what foreigners spend here has been the increasing share of the American consumer's disposable income (income after taxes) spent for foreign travel throughout the postwar era. Though still less than one percent of total disposable personal income, the proportion spent for travel abroad, including fare payments, has steadily increased from \$45 million out of every \$1 billion of spendable income in 1951 to about \$76 million in 1962. If the 1951 relationship had been maintained, U.S. travel expenditures in 1962 would have been lower by about one-third, indicating the importance of this increased share for our inter-

national travel and balance of payments situation.

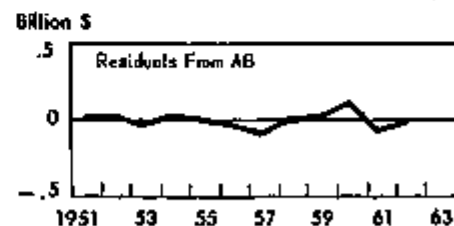
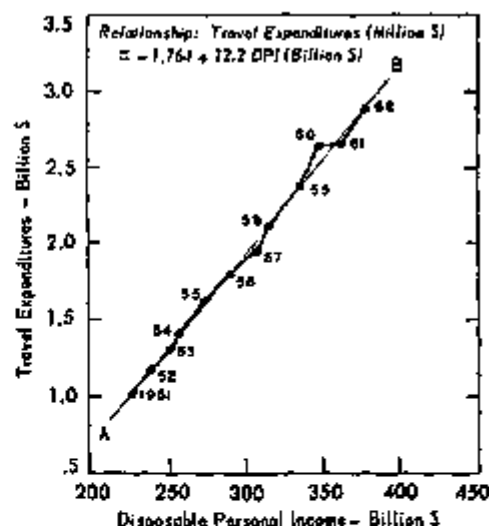
The degree of association between disposable personal income and expenditures on foreign travel during the post-World War II period has been quite close, but foreign travel, in common with other types of service expenditures, seems to absorb a growing share of income increments. External factors also appear to influence travel expenditures; an examination of changes in travel spending in relation to changes in disposable personal income suggests that travel expenditures have reacted less strongly to postwar economic recessions, for example, than to unrest and tense international conditions in key tourist areas.

During the 1951-62 period an increase of \$1 billion of disposable income has been associated, on the average, with an increase of about \$12 million in foreign travel expenditures. Stating this relationship differently, an increase of 10 percent in disposable personal income has been associated on the average with a nearly 20-percent increase in foreign travel expenditures. Since neither income nor travel expenditures have actually declined in recent years—on a year-to-year basis—there is no evidence as to the potential effect of a decline in spendable income on travel expenditures. The largest variations from this average relationship, shown in the accompanying chart, appeared on the low side in 1957 and 1961, when international tensions were a major influence. The decline in 1961 may also reflect the influence of the drop in business activity during the latter part of 1960. In 1960 foreign travel expenditures increased sharply relative to personal income, influenced in part by the Olympic games in Rome in that year.

Almost \$100 million of the increase in travel expenditures in 1962 came in transoceanic transportation; the total of \$900 million was about 10 percent more than in 1961. Although the continued growth of charter traffic appears to have reduced average fare payments somewhat, particularly across the Atlantic, the rapid rise in the total number of travelers and the increase in travel to more distant areas kept the transportation share of U.S. travel spending at about one-third, as in the previous year.

Foreign air and sea carriers received \$563 million, up 9 percent from the previous year. Their share of U.S. travelers' transportation payments dropped slightly, however, as U.S. car-

Foreign Travel Expenditures of U.S. Residents Related to U.S. Disposable Personal Income



U.S. Department of Commerce, Office of Business Economics

riers increased their receipts from U.S. travelers by 12 percent to \$427 million. This was about 43 percent of total transportation outlays, up from about 42 percent in 1961.

A 12-percent rise in the number of U.S. travelers to overseas areas brought the total to 1,767,000 for 1962. About 16 percent traveled by ship, compared with 17 percent who did so in 1961. Once again, a major portion of the increase in overseas travel went to the airlines—of the total increase of 192,000 U.S. travelers, 180,000 used air transportation, while 12,000 chose to travel by ship. Though their gain was relatively small, ships carried more U.S. travelers to Europe last year than in any recent year except 1960.

Table 1.—Expenditures for Foreign Travel by U.S. Residents

(Millions of dollars)				
Year	Total	Expenditures in foreign countries	Fares paid to—	
			Foreign carriers	U.S. carriers
1929	698	483	104	41
1937	470	348	65	27
1947	716	573	55	38
1951	1,028	757	132	130
1952	1,188	840	172	170
1953	1,306	928	170	198
1954	1,401	1,009	183	209
1955	1,612	1,193	201	268
1956	1,814	1,275	229	301
1957	1,975	1,379	261	322
1958	2,140	1,490	320	300
1959	2,390	1,610	380	360
1960	2,640	1,745	*518	*382
1961	2,842	1,747	*515	*380
1962	2,895	1,805	*503	*427

*New Series.

Note.—Excludes travel by military personnel and other Government employees stationed abroad, their dependents and U.S. citizens residing abroad; includes shore expenditures of cruise travelers; passenger fares exclude fares paid by migrant aliens.

Source: U.S. Department of Commerce, Office of Business Economics.

Cruise travel once again showed exceptional strength. More than 265,000 Americans went on sea cruises, 25 percent more than in 1961. As in 1961, a substantial part of this increase occurred during the summer season—a radical departure from the pattern of the years before 1961. Cruise travel by U.S. residents rose 54 percent in the second 3 months of 1962 from the same period of 1961, and 33 percent in the third quarter, but only 14 percent and 3 percent respectively in the first and

final quarters. Perhaps even more significant has been the increase in cruise travel carried in U.S. flag ships. Following changes in regulations which permitted crack U.S. liners to compete in the lucrative Caribbean-South America cruise trade, U.S. ships increased their cruise volume by 53 percent in 1962. During the second quarter of the year they carried 150 percent more U.S. passengers on cruises. The share of cruise travel handled by U.S. flag lines remained small, at 15 percent of the total, but was well above the 12 percent for 1961.

Cruise travelers are not included in the number of U.S. residents visiting overseas destinations, although their fare payments and spending ashore are included in data on travel expenditures. Because their spending patterns are quite different from other international travelers, and because they do not as a rule meet the internationally accepted definition of tourist, they are treated as a separate group. Characteristically, 75 percent or more of their expenditures go for fares and other shipboard expenses.

Total spending up, average per capita declines

Despite generally lower average per capita spending, U.S. residents spent about 9 percent more for travel within foreign countries in 1962 than in the prior year. The total of about \$1.9 billion includes expenses for food, accommodation, transportation within foreign countries, souvenirs and other personal purchases, gifts to friends and family members, and other expenditures. In contrast to 1961, when travel expenditures were reduced in several key areas, all major regions shared in the increase in American travel outlays.

Expenditures climbed sharply in Canada, increasing that country's tourism receipts to \$492 million, 16 percent more than the year before. Moreover, the surplus of travel receipts which the United States has enjoyed since 1952 in its balance with Canada disappeared, as Canadians spent 7 percent less in the United States, resulting in a \$72 million deficit. Devaluation of the Canadian dollar had the dual effect of

stimulating U.S. travel to Canada, and making Canadian visits here less attractive. The Seattle Fair is also believed to have benefited Canada's travel receipts, as it put millions of Americans within easy reach of the western provinces of Canada. Also significant in the sharp reversal was a successful Canadian Government move to discourage tourist purchases in the United States by severe reduction of the duty free exemption allowed Canadian travelers.

A resurgence of travel to Europe and the Mediterranean, after 1961's period of apprehensions, brought about a large increase in the number of Americans visiting the area, but a less than proportionate increase in the amount of expenditures there. The approximately 930,000 U.S. residents who visited

Table 2.—Expenditures for Foreign Travel by U.S. Residents, 1958-62

(Millions of dollars)					
	1958	1959	1960	1961	1962
Total	2,140	2,390	2,640	2,842	2,895
Transportation	880	779	895	835	898
Foreign-flag carriers	330	330	512	515	563
U.S.-flag carriers	300	300	382	380	427
Expenditures abroad	1,400	1,610	1,745	1,747	1,805
Canada	323	365	380	423	492
Persons staying under 24 hours	n.a.	n.a.	48	47	n.a.
Mexico	219	300	343	350	393
Persons visiting Mexican border only	210	283	215	254	280
Overseas areas	618	805	1,000	952	1,018
Europe and Mediterranean	260	604	704	680	680
United Kingdom	90	163	110	107	112
Ireland	13	n.a.	12	13	15
France	88	n.a.	118	185	113
Germany	40	n.a.	23	20	26
Germany	64	n.a.	83	63	80
Austria	10	n.a.	25	22	21
Switzerland	13	n.a.	63	40	44
Italy	98	n.a.	122	112	119
Spain	21	n.a.	25	34	28
Israel	12	n.a.	30	23	23
Greece	11	n.a.	15	10	18
Denmark	16	n.a.	23	19	19
Norway	9	n.a.	11	12	12
Sweden	30	n.a.	14	13	13
West Indies and Central America	166	174	160	160	178
Bermuda	29	n.a.	28	21	30
Nassau	23	n.a.	42	45	48
Jamaica	26	n.a.	26	20	89
Other British West Indies	11	n.a.	15	18	18
Cuba	27	n.a.	15	08	—
Netherlands West Indies	7	n.a.	10	12	30
South America	37	41	45	48	56
Venezuela	8	n.a.	9	8	30
Other overseas areas	65	70	85	114	125
Japan	20	n.a.	38	46	50
Hong Kong	13	n.a.	18	24	23
Australia-New Zealand	5	n.a.	n.a.	11	12

Note.—For coverage, see table 1. n.a. Not available.

Source: U.S. Department of Commerce, Office of Business Economics.

Europe last year outpaced the 1961 group by 13 percent, but the \$660 million they spent in the area was less than 5 percent higher than in the previous year.

The reduced duty-free customs allowance was in effect for its first full year, and had a definite influence in reducing the average outlays in Europe. Other factors also came into play, which probably accentuated the effects of the lower duty exemption. Once again the proportion of air travelers, who stay a shorter period and spend less than those traveling by sea, increased slightly. Continued expansion of charter flights made possible visits by a broader range of income groups, many of whom might not have traveled at higher rates, and may have been an added factor in the lower averages.

A decline in the use of first class air travel, with its 66 pounds free baggage limit, has accompanied these changes. A much larger proportion of the air travelers now are limited to 44 pounds of free baggage (the economy class limit), and in the aggregate this may have contributed to fewer purchases and consequently lower average outlays. On the other hand, the average U.S. traveler stayed about 45 days on his visit to Europe, about 3 days more than in 1961, and the average number

of countries visited declined to just over three and a half per traveler.

These developments, considered with the drop in average spending, suggest the emergence of certain new characteristics in travel to Europe, such as increased use of rented autos for transportation and, consequently, longer periods outside of the large, high-priced, population centers, more days spent touring within a single country, and probably lower per capital transportation costs on the continent.

Altogether, a trip to Europe and the Mediterranean in 1962 cost the average U.S. visitor about \$1,315, another decline from 1961's average of \$1,390 and the 1960 figure of \$1,500. Transportation to Europe and return cost the traveler an average of \$610, while expenses within the region on the average reached about \$705 per person. Both were lower than in 1961, when fares averaged \$630 and other expenses \$760, and continued the decline from 1960.

Travelers reaching Europe by sea spent more on the trip than air travelers, as has been true in the past. They paid an average of \$635 each for transportation and spent about \$860 in Europe. Part of the reason for the higher expenses in Europe was a longer period of stay, but another factor may have been the necessity of purchasing intra-European transportation which, for many of the air travelers, is included in transoceanic fares. The latter cost air travelers about \$595 in 1962, down 4 percent, while outlays within the region dropped to \$650 from the previous year's average of about \$700. The average fare covers not only the cost of transportation between the United States and the point of entry into Europe, but air travel in the European and Mediterranean area as well, even when passengers make several stops and changes of airline, if these fares were included in the ticket purchased in the United States.

In 1962, 710,000 U.S. residents traveled to Europe by air. Their portion of the total increased to 76 percent, one percentage point more than a year prior. The share of sea travel declined, but the absolute number of travelers reaching Europe by ship increased by 15,000 persons.

All European countries were host to more U.S. visitors than in 1961, but again as in 1961 average per capita expenditures were consistently lower. The higher numbers, in some cases, were not sufficient to offset the effects of the lower outlays per person: Switzerland, visited by about 5 percent more U.S. residents, earned slightly less than a year before, while Denmark had a slightly smaller increase in U.S. travel volume but also had reduced earnings.

Among the other leading tourist countries of Europe, total receipts from U.S. travelers tended to rise but a relatively larger number of persons had had to be accommodated in order to achieve the higher dollar volume. France, a major entry point for Europe and perennial leader in American visitors, registered an 8 percent increase in American visitors—the 517,000 travelers to that country spent about \$112 million there. A similar situation was found in the United Kingdom, Italy, and Germany, each earning tourist

Table 3.—U.S. Travelers to Oversea Countries by Means of Transportation

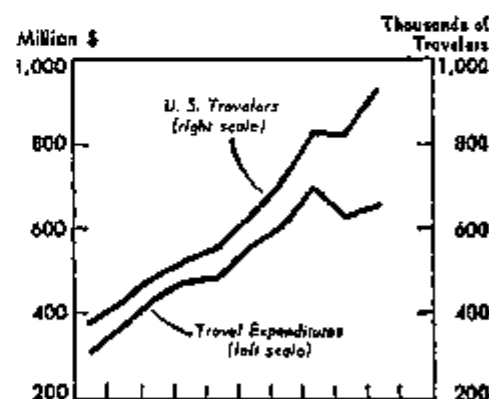
(Thousands of travelers)					
	1958	1959	1960	1961	1962
Total.....	1,399	1,516	1,434	1,676	1,767
Sea.....	208	279	317	208	280
Air.....	1,191	1,237	1,117	1,468	1,487
Europe and Mediterranean.....	837	795	892	820	931
Sea.....	218	294	280	200	221
Air.....	619	601	612	620	710
West Indies and Central America.....	646	677	641	540	600
Sea.....	66	53	67	27	32
Air.....	580	624	574	513	570
South America.....	59	59	71	83	85
Sea.....	0	7	9	10	8
Air.....	59	52	62	73	77
Other.....	54	75	90	116	142
Sea.....	13	12	11	15	18
Air.....	41	63	79	101	124

Note.—For coverage, see table 1; also includes cruise travelers, who numbered about 100,000 in 1960, 212,000 in 1961, and 266,000 in 1962.

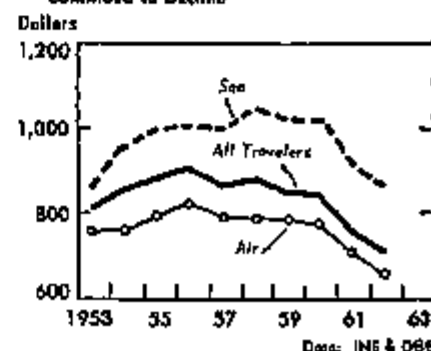
Source: U.S. Department of Commerce, Office of Business Economics, based on data of U.S. Department of Justice Immigration and Naturalization Service.

U.S. TRAVELERS AND THEIR TOTAL EXPENDITURES IN THE EUROPEAN AND MEDITERRANEAN AREA

Increases in Totals Occurred in 1962 Over 1961 . . .



But Average Expenditures in the Area Continued to Decline



U.S. Department of Commerce, Office of Business Economics

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dollars at a reduced rate for each traveler accommodated. In Great Britain, a 10 percent increase in American visitors in 1962 brought 5 percent more dollars for a total of \$112 million. Italy handled 8 percent more U.S. visitors, received \$118 million, also up approximately 5 percent. Travel to Germany did not recover as fully as that to Italy or Britain, rising about 5 percent, but dollar receipts from U.S. tourists rose in about the same proportion as volume.

Travel to Ireland, Greece, and Israel continued strong, although their rate of increase in U.S. expenditures was not as great as in the year before. Relatively small in relation to those in major European tourist destinations, American travel expenditures in these countries tended to rise more sharply last year.

Increased spending in border areas brought U.S. travel expenditures in Mexico last year to almost \$400 million.

Table 4.—Numbers and Expenditures of U.S.-born and Foreign-born U.S. Residents Traveling in Europe and the Mediterranean Area, Selected Countries, as Available, 1961-62

	Number of travelers (thousands)			Total expenditures (millions of dollars)			Average expenditures (dollars)		
	U.S. born	Foreign born	Total	U.S. born	Foreign born	Total	U.S. born	Foreign born	Total
Europe and Mediterranean:									
1962.....	640	282	921	501	186	687	773	\$41	751
1961.....	582	244	826	484	148	632	821	\$68	757
See: 1962.....	137	34	171	140	51	191	1,007	\$31	\$40
1961.....	123	33	156	134	56	190	1,048	\$89	\$10
Ad: 1962.....	312	106	418	364	102	466	711	\$15	\$60
1961.....	430	161	591	350	80	430	781	\$53	\$07
United Kingdom:									
1962.....	283	90	373	90	22	112	221	220	234
1961.....	233	84	317	58	21	79	215	248	245
Ireland:									
1962.....	55	20	75	10	6	16	161	301	213
1961.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
France:									
1962.....	428	80	508	10	17	27	217	190	213
1961.....	396	82	478	00	15	15	226	184	218
Belgium-Luxembourg:									
1962.....	130	15	145	7	3	10	82	98	90
1961.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Netherlands:									
1962.....	102	31	133	14	3	17	82	168	98
1961.....	108	40	148	20	6	26	102	138	109
Germany:									
1962.....	252	93	345	40	20	60	162	273	167
1961.....	249	83	332	41	23	64	164	268	190
Austria:									
1962.....	142	34	176	17	6	23	220	147	133
1961.....	142	32	174	18	6	24	124	156	130
Switzerland:									
1962.....	257	70	327	35	10	45	135	168	142
1961.....	253	50	303	37	9	46	140	190	143
Italy:									
1962.....	331	86	417	02	20	118	275	291	280
1961.....	306	70	376	87	25	112	280	312	285
Spain:									
1962.....	112	21	133	23	5	28	265	238	211
1961.....	95	10	105	21	3	24	215	215	215
Denmark:									
1962.....	110	20	130	10	4	14	128	154	128
1961.....	121	20	141	10	3	13	121	107	130
Sweden:									
1962.....	00	17	17	8	4	12	133	238	109
1961.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Greece:									
1962.....	63	12	75	13	6	19	260	410	240
1961.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Israel:									
1962.....	42	25	67	14	9	23	300	380	328
1961.....	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

* Includes Belgium and Luxembourg.
n.a. Not available.

NOTE.—For coverage, see table 1; includes the expenditures but not the number of cruise travelers. Average expenditures of foreign-born U.S. residents are higher than those of U.S.-born travelers to some countries, though they are lower for the area as a whole, because foreign-born travelers visit fewer countries, and stay longer than the U.S.-born travelers, who visit more countries on each trip.

SOURCE: U.S. Department of Commerce, Office of Business Economics, based on data of U.S. Department of Justice, Immigration and Naturalization Service.

The reduced duty-free exemption, cut from \$500 to \$100 in September 1961, was probably partly responsible for lower average expenditures and little change in total expenditures of travelers visiting interior Mexico. The volume of travel to the interior appears to have been higher than in 1961.

In the West Indies and Central America, U.S. travel spending hit a new high, reaching \$178 million. The number of Americans visiting the area climbed sharply, from 550,000 to 609,000. Here again, average per capita outlays tended to be lower in 1962, but added volume and large numbers of cruise passengers (not included in the volume data) helped bring a 10 percent increase in spending to the area. Slightly lower total expenditures in Bermuda were probably related to the reduced duty-free exemption.

Spending by U.S. travelers in South America was up about 15 percent in 1962 to \$55 million. The number of visitors increased by only about 2,000, but average expenditures increased. Since a large proportion of travel to South America is for business purposes, and activities connected with the Alliance for Progress may have intensified business interest in the area, higher average outlays for travel seem reasonable. Also, the average U.S. traveler in South America visited more countries than in 1961, which would tend to increase his costs.

Another substantial rise in the volume of U.S. visitors occurred in other overseas areas in 1962. About 142,000 Americans visited these areas, principally the Far East, and spent approximately \$125 million. Average expenditures were reduced from the 1961 level, as a 22 percent gain in the number of American visitors resulted in only a 10-percent spending rise. Japan and Hong Kong continued to dominate the area in terms of U.S. tourist expenditures. Hong Kong's earnings from the source remained at about the 1961 level, with lower average expenditures more than offsetting a rise in volume of tourists. In Japan, total travel payments from U.S. residents amounted to about \$50 million, up 9 percent from 1961, with decreased average outlays offset by additional numbers of travelers.

U.S. Travel Receipts Higher

Estimates of U.S. receipts from foreign visitors for travel in this country have been revised for the years 1960, 1961, and 1962. Development of more representative information on characteristics of visitors from overseas areas, with the cooperation of the U.S. Immigration and Naturalization Service, provided the basis for making more comprehensive and reliable estimates.

U.S. earnings from all foreign visitors in 1962, including those from Canada and Mexico, increased slightly over 1961 to \$921 million. As noted previously, receipts from Canada slumped seriously, holding total receipts from all areas to a 2-percent increase. Excluding Canada, total receipts climbed about 9 percent over 1961. All areas contributed to this increase, although the rise from "other overseas countries" was minimal. Foreigners paid about \$117 million for transportation to U.S. carriers to reach the United States and return.

Table 5.—Expenditures by Residents of Foreign Countries in the United States
(Millions of dollars)

	1960*	1961*	1962*
Visitors from foreign countries.....	887	906	921
Canada.....	400	451	480
Mexico.....	182	200	217
Total overseas countries.....	285	249	274
Europe and Mediterranean.....	80	94	100
United Kingdom.....	29	30	37
Germany.....	n.a.	n.a.	14
France.....	n.a.	n.a.	15
West Indies, Central and South America.....	100	97	106
Other overseas countries.....	46	58	59
Japan.....	13	14	15

* Revised data.
n.a. Not available.

Note.—Includes expenditures of travelers for business and pleasure, foreigners in transit through the United States, and students; excludes expenditures by foreign government personnel and foreign business men employed in the United States.

Source: U.S. Department of Commerce, Office of Business Economics.

Visitors from Mexico spent about \$217 million here last year, an increase of 9 percent over 1961. Those who traveled into the interior of the United States spent over \$50 million, or almost a quarter of the total, compared to 17 percent in the prior year.

U.S. receipts from visitors from Europe and the Mediterranean area were 13 percent higher than in 1961, reaching \$106 million. The 1960-61 increase had been about 4 percent.

Newly developed data indicate that average expenditures of European visitors here on pleasure trips and arriving by sea tend to be slightly lower than those of air travelers on similar visits. However, business visitors using ships to cross the Atlantic may spend somewhat more than those coming by air. Part of the reason for this pattern is believed to be the incidence of short, three to seven day business trips, mostly to New York City.

The average pleasure traveler from Europe stayed in the United States about a month and a half, spending about \$250 while here. Travelers on business stayed a shorter period, about a month, and spent over \$550. Many pleasure visits by Europeans involve visits to family or friends, so that expenses are reduced substantially. There would seem to be some connection between the fact that British and German travelers, in particular, who are by far the most numerous of visitors from overseas, have unusually low expenses in this country on pleasure trips, indicating that the expenses of many of them are reduced by hospitality extended by family and friends here. Thus, the relatively large volume of pleasure travel from these two countries may have been partly a function of family or other close connections supplementing such factors as prosperity and higher incomes abroad.

For other overseas areas, pleasure travelers spent over \$400 each and business travelers about \$550 each.

Increase in pleasure travel

Foreign visitors from overseas countries in 1962 totaled 713,000, an entire increase of 14 percent. Nearly all the gain was in pleasure travel, in which category average expenditures are low. The number of business travelers remained steady at 107,000, while persons in transit increased only 2 percent to 85,000. There was little change in the number of students. Travel from Europe and the Mediterranean grew from 300,000 in 1961 to 350,000 last year. Almost 70 percent came on pleasure visits, a slightly higher proportion than in 1961. Business travel increased by 3,000, but the number of travelers in transit through the United States was unchanged.

Table 6.—Foreign Visitors to the United States from Overseas Countries
(Thousands of travelers)

	Total	Business	Pleasure	Transit	Student
Overseas countries total.....	713	107	496	85	25
Europe and Mediterranean.....	621	107	499	83	25
United Kingdom.....	353	69	343	37	4
Germany.....	289	66	191	37	5
West Indies, Central America, and South America.....	268	17	203	37	9
Other overseas areas.....	239	17	174	37	10
Japan.....	92	22	48	11	11
1961.....	87	21	44	9	10

Note.—Excludes visitors from Canada and Mexico; excludes foreign government personnel and foreign business men employed in the United States.

Source: U.S. Department of Justice, Immigration and Naturalization Service.

British visitors continued to account for more than one-third of the total from Europe. The number of German visitors rose almost 20 percent, while French visitors were up 44 percent, though from a smaller base.

After a poor year in 1961, probably due to economic and political conditions, travel from the West Indies, Central and South America swung upward once more, and surpassed 1960, the previous high point. The 1962 total of 268,000 was 13 percent over the year before and 8 percent over the 1960 record. Again, the entire gain was in pleasure travel, all other categories failing to increase. Venezuela, regularly the source of the largest number of our visitors from South America, was the point of origin of 35,000 visitors, slightly more than in 1961 but still

Table 7.—Foreign Visitors to the United States from Overseas Countries for Business, Pleasure, in Transit, or as Students.
(Thousands of travelers)

	1960	1961	1962
All Overseas Areas.....	682	624	713
Europe.....	283	268	341
United Kingdom.....	14	108	122
Germany.....	37	42	60
France.....	25	27	39
Italy.....	18	20	23
Asia.....	51	57	60
Japan.....	20	22	21
Israel.....	7	8	10
West Indies and Central America.....	150	136	173
South America.....	100	102	135
Venezuela.....	10	33	35
Argentina.....	15	10	16
Colombia.....	15	15	21
Africa.....	8	8	8
Oceania.....	30	33	36
Australia.....	22	22	24

* For Europe and Mediterranean area combined, see table 6.

Note.—Excludes visitors from Canada and Mexico; excludes foreign government personnel and foreign business men employed in the United States.

Source: U.S. Department of Justice, Immigration and Naturalization Service.

below the 1960 level. Visitors from Argentina decreased, but those from Colombia climbed sharply to 21,000.

The number of travelers from other overseas areas reached about 104,000. Exchange restrictions limited Japanese visitors to 21,000, compared to 23,000 in 1961. The proportion who were on business trips remained high, over 50 percent, but was somewhat lower than the approximately 60 percent on business trips in the year before. An additional 2,000 Australians came to the United States, bringing their total to 24,000. In contrast to the Japanese, three-quarters of the Australians visited here on pleasure trips.

Plant and Equipment

(Continued from page 5)

more than in 1961 and 1962. Current annual budgets are about the same as reported in February, with a sharp reduction in actual outlays in the first quarter being mostly offset by larger expectations for the second half.

Increases in fixed investment this year center in electric utilities. A rising trend throughout the year is

projected but at a rather moderate rate. The total for the year, as now planned, would fall substantially short of the 1957-58 records.

Gas utilities' outlays are expected to dip below not only last year but also all other years since 1956. There has been little revision in plans from those reported in the previous survey. This industry was one of the very few in which actual spending in the first 3 months of the year equaled the anticipated rate.

Railroad outlays up; other transportation spending off

Expenditures for new plant and equipment by the railroads, which rose one-fourth from 1961 to 1962, are expected to repeat this experience this year. Outlays on road and new equipment are expected to exceed \$1 billion with spending rising steadily throughout the year. Capital budgets of these companies have been revised upward about a tenth since February.

The projected expansion in capital spending will be concentrated in equipment additions, especially of the new

larger and more efficient freight cars now becoming available. Improved earnings and better competitive positions afforded by the new equipment are proving a substantial stimulus to increased investment in new rolling stock. Outlays in road are expected to remain rather steady through the year. Planned outlays in aggregate will rise sharply through the fourth quarter. In spite of the expansion, though, total expenditures for the year will be well below records set in the early postwar period.

Within the group of firms engaged in transportation other than by rail, substantial declines in planned expenditures by air and water carriers for this year outweigh enlarged budgets of pipeline companies, where several large new projects are under way. Although capital spending of air carriers has been declining since 1960 a substantial pick-up is scheduled for the second half of this year, in part reflecting the companies' plans to acquire short-range jet crafts. Trucking firms also are planning expanded programs in the second half.

REVISED STATISTICAL SERIES:

Production of Electric Energy in 1960 and 1961: Revised Data for Page S-26

(All figures in kilowatt-hours)

Month	Total	Electric utilities					Industrial establishments		
		Total	By source		By type of producer		Total	By source	
			By fuels	By water power	Privately and municipally owned utilities	Other producers (privately owned)		By fuels	By water power
1960									
January.....	71,582	64,020	54,000	13,041	42,330	11,691	7,502	7,219	342
February.....	67,079	60,320	47,911	12,528	40,055	11,264	7,841	7,032	239
March.....	72,316	64,374	51,058	13,280	39,180	12,774	7,942	7,059	363
April.....	66,315	58,708	44,480	12,282	37,820	10,806	7,457	7,194	300
May.....	68,051	60,328	47,300	13,024	45,045	11,263	7,711	7,362	268
June.....	69,037	62,120	49,680	12,445	38,931	11,178	7,506	7,178	327
July.....	70,871	63,608	51,801	11,805	41,708	11,928	7,205	6,933	222
August.....	74,702	67,300	55,182	12,118	43,208	12,092	7,403	7,145	223
September.....	69,016	62,515	51,119	11,420	41,532	10,980	7,008	6,828	241
October.....	69,443	63,173	51,680	10,493	41,170	11,993	7,229	7,020	244
November.....	68,271	61,288	49,627	10,701	40,357	11,031	6,883	6,617	267
December.....	73,133	66,303	52,043	11,201	44,345	12,048	6,830	6,672	268
Monthly average.....	70,136	62,778	50,432	12,120	41,294	11,490	7,360	7,043	301
1961									
January.....	73,722	66,567	55,810	10,750	44,428	12,130	7,008	6,729	207
February.....	65,040	59,176	48,931	10,244	45,374	10,802	6,485	6,228	257
March.....	71,810	64,075	50,730	13,378	42,482	12,103	7,140	6,812	329
April.....	68,288	61,253	47,403	13,848	40,400	11,847	7,035	6,705	330
May.....	71,102	63,703	49,447	14,058	41,738	11,932	7,387	7,048	319
June.....	72,532	65,240	51,333	13,480	43,840	11,400	7,237	6,927	310
July.....	75,206	68,285	54,771	13,515	46,000	12,280	7,040	6,784	254
August.....	79,033	71,822	58,413	13,407	48,000	13,402	7,511	7,200	251
September.....	74,323	67,184	55,204	11,920	44,315	12,860	7,140	6,834	217
October.....	74,423	66,810	55,348	11,473	44,384	12,436	7,000	6,784	211
November.....	74,203	66,048	54,785	11,263	44,087	12,002	7,537	7,202	266
December.....	78,449	70,000	57,179	12,730	47,431	12,479	7,540	7,240	294
Monthly average.....	73,220	66,003	53,340	12,034	43,036	12,367	7,223	6,942	280

Source: Federal Power Commission.